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DRI/McGraw-Hill

THE 36TH ANNUAL DRI/McGRAW-HILL SURVEY OF PRELIMINARY PLANS FOR NEW PLANTS AND EQUIPMENT, 1989-91

December 1989

Accumulating evidence of a business slowdown seems to have finally tempered the lingering optimism that surrounds this, now aged, economic upturn. According to the latest DRI/McGraw-Hill survey of plant and equipment spending, America's capital planners foresee a marked deceleration in the growth of next year's capital budgets, as well as a slightly weaker 1989 performance than expected in our spring survey.

Respondents to our fall survey report that domestic spending by U.S. and foreign-owned firms should rise only 4.4%, to $491.8 billion, next year; this follows an estimated 9.4% jump in 1989 (Table 1).

Inflation remains a significant threat in the minds of corporate planners, however. Survey respondents anticipate a 4.0% advance in plant and equipment prices next year, just shy of the planned investment increase. Given these inflation and spending expectations, real (inflation-adjusted) capital spending would thus rise a bare 0.4% in 1990. Survey respondents, though, have consistently overstated inflation in the past.

While nonmanufacturers account for most of this sharply slower growth, manufacturing industries, on average, expect to only limit spending gains from 10.0% growth this year to a still strong 6.4% pace in 1990. The most

Chart 1
Investment in New Plants and Equipment: All Businesses
(Billions of dollars)

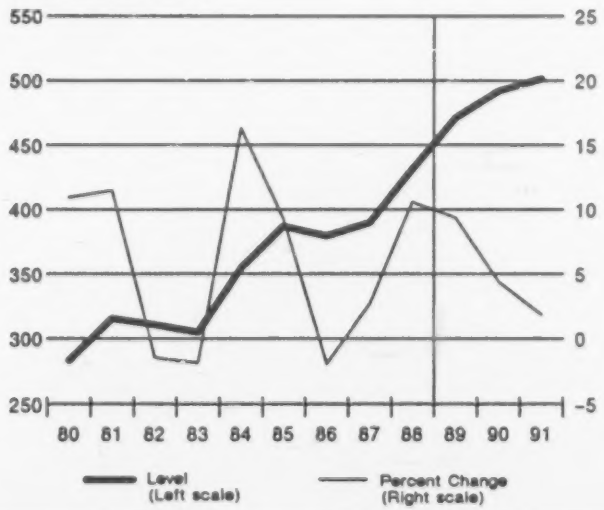

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Table 1
Plans for Capital Spending
(Billions of dollars)

Industry	Level				Percent Change		
	1988	1989	1990	1991	1989	1990	1991
Blast Furnaces, Steel Works	6.20	6.90	7.11	6.48	11.3	3.1	-8.9
Nonferrous Metals	2.77	2.88	2.90	2.65	3.9	0.7	-8.6
Electrical Machinery	18.33	20.77	21.57	22.06	13.3	3.9	2.3
Nonelectrical Machinery	15.25	14.75	15.74	16.24	-3.3	6.7	3.2
Motor Vehicles	10.66	14.90	17.03	17.11	39.8	14.3	0.5
Aircraft	3.44	3.83	4.19	3.97	11.2	9.5	-5.3
Fabricated Metals	4.31	5.65	6.09	6.58	31.1	7.9	8.0
Stone, Clay & Glass	3.60	4.63	4.53	4.50	28.5	-2.1	-0.7
Other Durables	10.39	9.24	9.74	9.83	-11.1	5.5	0.9
TOTAL DURABLES	78.30	83.54	88.91	89.42	6.7	6.4	0.6
Chemicals	19.28	21.84	22.20	24.05	13.3	1.7	8.3
Paper	11.36	15.85	18.10	9.89	39.5	14.2	-45.4
Rubber & Misc Plastics (a)	3.87	4.41	4.56	4.85	13.8	3.5	6.3
Petroleum	20.08	20.53	22.21	24.16	2.2	8.2	8.8
Food Including Beverages	12.87	14.60	17.13	16.66	13.5	17.3	-2.7
Textiles	2.12	2.38	2.20	2.13	12.4	-7.6	-3.1
Other Nondurables	18.43	19.86	19.48	18.38	7.7	-1.9	-5.6
TOTAL NONDURABLES	88.01	99.47	105.88	100.12	13.0	6.4	-5.4
ALL MANUFACTURING	166.32	183.01	194.79	189.54	10.0	6.4	-2.7
Mining	12.66	12.18	13.64	15.67	-3.8	12.1	14.8
Railroad (b)	7.06	8.38	5.75	6.06	18.7	-31.4	5.3
Air Transportation (a)	7.28	9.81	11.64	12.62	34.7	18.6	8.5
Other Transportation	7.00	7.43	8.70	9.54	6.2	17.1	9.7
Electric Utilities	32.03	34.65	34.75	34.55	8.2	0.3	-0.6
Gas & Other Utilities	14.64	16.93	20.39	20.51	15.6	20.5	0.6
Communication	32.09	32.45	35.48	33.92	1.1	9.3	-4.4
Trade & Services (a)	151.42	166.22	166.66	178.55	9.8	0.3	7.1
ALL NONMANUFACTURING	264.44	288.05	297.02	311.43	8.9	3.1	4.9
ALL BUSINESS	430.76	471.07	491.81	500.96	9.4	4.4	1.9

a. DRI estimates.
b. DRI estimate for 1991.

optimistic nondurable goods producing industries are food and paper makers, both following up an already strong 1989 investment performance. Within the durable goods sector, motor-vehicle and aircraft manufacturers plan to lead the spending growth. Amongst nonmanufacturers, gas utilities and communication and "other" transportation companies project strong investment gains that will help keep this sector's spending growth at 3.1% in the year ahead.

These are the key findings of DRI/McGraw-Hill's 36th Annual Survey of Preliminary Plans for New Plants and Equipment. Conducted from September through November, the survey drew responses from 366 companies that account for more than 16% of total plant and equipment spending in the United States (Table A.4).

Figures in this report have been adjusted to represent spending by all U.S. and foreign-owned companies, and reflect domestic investment only.

THE WIDENING SLOWDOWN

Most of the economy's indicators--including housing starts, manufacturers' orders, industrial output, capacity utilization rates, commercial construction, inventories, unemployment, disposable personal income, and corporate profits--peaked and/or demonstrated various levels of deterioration in 1989. Many of these will not show much improvement until sometime next year, although housing may already be on a rebound. In addition, exports and consumer spending, which spearheaded the manufacturing boom for the past two years, began losing steam this year and although exports should show moderate growth in 1990, weak personal income gains will hamper consumption growth.

Coupled with the fact that federal, state, and local governments are in no position to close the breach by cutting taxes or raising purchases, the U.S. economy seems destined for a year of weak growth; or put more optimistically, a successful soft landing that skirts a recession. This outlook assumes that the Federal Reserve continues its currently successful interest-rate dance between inflationary and recessionary pitfalls. It should be noted that capital spending is a lagging indicator of the economy. As such, slower investment growth in the year ahead is expected until spending is pushed higher by reviving economic activity in late 1990 and early 1991.

INFLATION AND SALES

Respondents to the survey expect capital goods prices to rise an average 4.0% in 1990 (Table 2); DRI projects an increase of only 1.5%. While lingering fears of an overheated economy may account for part of this pessimism, respondents have consistently overstated capital goods price inflation over the years. For example, in both November 1988 and June 1989, they predicted gains of 4.7% in this year's plant and equipment prices; with the year nearly complete, actual plant and equipment inflation should finish at only 2.1%.

Survey estimates may also be high because respondents take little account of quality improvements in the capital goods they purchase. Their projections therefore tend to exceed official inflation estimates, which do adjust for quality enhancement. This discrepancy is particularly important in the case of office and computing equipment: because of technological improvements in computers, the price deflator for office equipment has declined by 13% annually since the beginning of 1982.

Table 2
Inflation Expectations
(Percent change)

Industry	1990 Plant & Equipment Prices	1990 Product Prices
Blast Furnaces, Steel Works	4.9	-6.0
Nonferrous Metals	3.9	0.0
Electrical Machinery	4.2	3.5
Nonelectrical Machinery	2.5	-0.3
Motor Vehicles	3.9	1.6
Aircraft	4.9	5.0
Fabricated Metals	5.5	4.6
Stone, Clay & Glass	5.0	0.7
Other Durables	4.5	1.8
TOTAL DURABLES	4.0	1.3
Chemicals	4.7	3.2
Paper	6.0	4.6
Rubber & Misc Plastics	2.5	2.9
Petroleum	4.1	4.3
Food Including Beverages	4.9	4.4
Textiles	4.9	5.9
Other Nondurables	4.8	6.2
TOTAL NONDURABLES	4.7	4.5
ALL MANUFACTURING	4.4	3.0
Mining	4.5	3.0
Railroad	4.5	2.5
Air Transportation	5.0	NA
Other Transportation	4.7	3.1
Electric Utilities	4.4	4.5
Gas & Other Utilities	5.1	3.4
Communication	2.1	1.0
Trade & Services	3.7	4.2
TOTAL NONMANUFACTURING	3.8	3.7
ALL BUSINESS	4.0	3.4

Chart 2
New Plant and Equipment Prices
(Percent change)

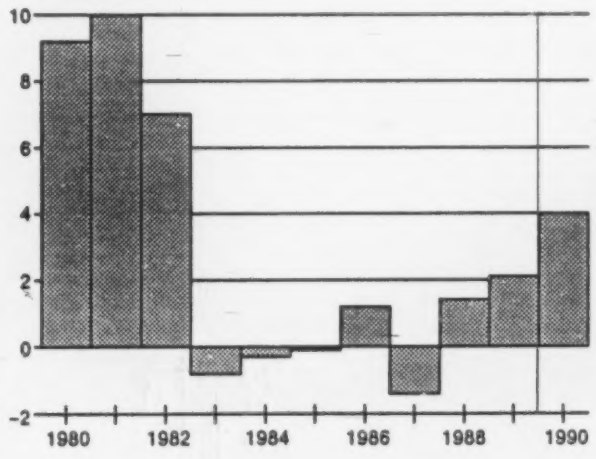


Chart 3
Product Prices
(Percent change)

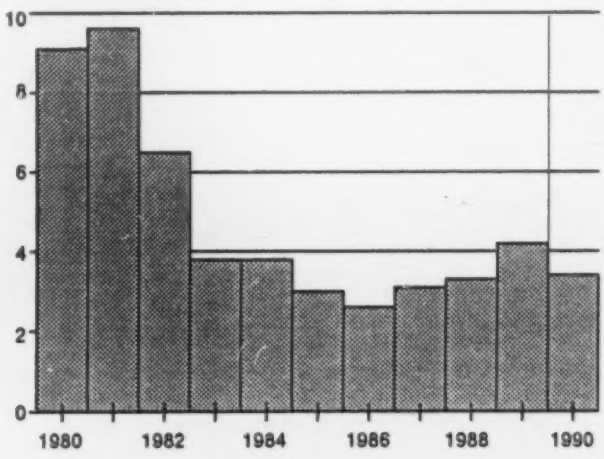


Table 3
Sales Expectations
(Billions of dollars)

Industry	1989*	1990	Percent Change
Blast Furnaces, Steel Works	60.9	54.3	-10.8
Nonferrous Metals	72.8	72.8	0.0
Electrical Machinery	240.1	260.7	8.6
Nonelectrical Machinery	267.0	298.2	11.7
Motor Vehicles	221.2	218.9	-1.0
Aircraft	135.0	135.0	0.0
Fabricated Metals	155.8	174.6	12.0
Stone, Clay & Glass	67.8	70.7	4.4
Other Durables	272.3	289.7	6.4
TOTAL DURABLES	1,492.8	1,574.9	5.5
Chemicals	260.1	283.4	9.0
Paper	138.0	150.9	9.4
Rubber & Misc Plastics	101.9	107.8	5.7
Petroleum	128.5	133.9	4.2
Food Including Beverages	395.2	428.2	8.3
Textiles	62.2	66.6	7.1
Other Nondurables	245.0	259.0	5.7
TOTAL NONDURABLES	1,331.0	1,429.8	7.4
ALL MANUFACTURING	2,823.8	3,004.7	6.4
Mining	NA	NA	13.2
Railroad	NA	NA	NA
Air Transportation	NA	NA	10.8
Other Transportation	NA	NA	5.2
Electric Utilities	NA	NA	5.2
Gas Utilities	NA	NA	6.7
Communication	NA	NA	7.2
Trade & Services	NA	NA	6.4

*Estimates, based on DRI/McGraw-Hill spring survey.

Table 4
Real Sales Expectations
(Billions of 1989 dollars)

Industry	1989*	1990	Percent Change
Blast Furnaces, Steel Works	60.9	57.7	-5.1
Nonferrous Metals	72.8	72.8	0.0
Electrical Machinery	240.1	251.8	4.9
Nonelectrical Machinery	267.0	299.2	12.1
Motor Vehicles	221.2	215.4	-2.6
Aircraft	135.0	128.6	-4.8
Fabricated Metals	155.8	166.9	7.1
Stone, Clay & Glass	67.8	70.2	3.6
Other Durables	272.3	284.5	4.5
TOTAL DURABLES	1,492.8	1,547.0	3.6
Chemicals	260.1	274.6	5.6
Paper	138.0	144.3	4.6
Rubber & Misc Plastics	101.9	104.8	2.8
Petroleum	128.5	128.3	-0.2
Food Including Beverages	395.2	410.1	3.8
Textiles	62.2	62.9	1.2
Other Nondurables	245.0	244.0	-0.4
TOTAL NONDURABLES	1,331.0	1,369.0	2.9
ALL MANUFACTURING	2,823.8	2,915.9	3.3
Mining	NA	NA	10.2
Railroad	NA	NA	NA
Air Transportation	NA	NA	NA
Other Transportation	NA	NA	2.1
Electric Utilities	NA	NA	0.6
Gas Utilities	NA	NA	3.3
Communication	NA	NA	6.3
Trade & Services	NA	NA	2.2

*Estimates, based on DRI/McGraw-Hill spring survey.

Overall, respondents expect to raise to raise product prices 3.4% in 1990. Manufacturers look for a 3.0% increase, along with a 6.4% jump in sales (Table 3). If both expectations are realized, real sales would rise 3.3% (Table 4)--a somewhat optimistic projection in light of the the obviously slowing economy.

INDUSTRY HIGHLIGHTS

Most nondurable goods manufacturers plan weaker investment growth in 1990; only the petroleum and food industries expect stronger increases than in 1989. The **petroleum industry** slashed spending in 1986 following the oil price collapse, and respondents indicate investment remains 23% below the 1985 peak. There has been a slight upturn in drilling activity, though, as oil prices have steadied in the $17-18 range. Consequently, oil industry planners report they will increase investment 8.2% in 1990 following a 2.2% advance this year.

Table 5
Industry Detail of Investment Plans
(Percent change)

Industry	1989	1990	1991
Durables			
Blast Furnaces, Steel Works (a)	11.0	2.9	-8.6
Nonferrous Metals (a)	0.7	-3.3	0.0
Primary Nonferrous Metals	0.7	-3.3	0.0
Electrical Machinery (a)	13.4	3.7	2.4
Electric Distribution Equipment	23.6	4.5	3.6
Electrical Industrial Apparatus	12.4	0.0	0.0
Household Appliances	-19.0	8.3	6.3
Communications Equipment	2.4	-8.7	-4.1
Electronic Components	10.2	19.7	-6.3
Misc Electrical	52.2	NA	NA
Nonelectrical Machinery (a)	-8.9	9.0	2.6
Engines and Turbines	0.0	-3.8	-11.8
Farm & Garden Machinery	8.6	31.6	4.0
Construction & Related Machinery	53.3	16.1	13.5
Metalworking Machinery	-12.9	42.9	10.0
Special Industry Machinery	52.7	143.9	38.5
General Industrial Machinery	-11.7	-10.2	3.5
Computer & Office Equipment	-14.6	3.3	3.1
Refrigeration and Service Machinery	5.5	11.1	0.0
Motor Vehicles (a)	39.9	13.6	0.6
Aircraft (a)	12.5	9.6	-5.5
Fabricated Metals (a)	48.1	-19.9	5.8
Cutlery, Hand Tools, Hardware	58.3	25.0	20.0
Plumbing and Heating, ex Elec	-14.9	25.0	40.0
Fabricated Structural Metal	58.9	-43.8	0.7
Screw Machine Products	-6.3	0.0	6.7
Metal Forgings and Stampings	40.4	-6.3	6.7
Misc Fabricated Metals	36.8	42.5	-13.4
Search & Navigation Eq	21.1	14.7	20.0
Measuring and Controlling Devices	9.4	1.9	7.2
Medical Instruments and Supplies	-6.7	-16.6	20.7
Stone, Clay & Glass (a)	50.1	-10.9	6.9
Flat Glass	45.5	-20.0	18.8
Cement, Hydraulic	18.7	2.7	-13.1
Pottery	26.3	-40.0	0.0
Concrete, Gypsum, Plaster	19.1	-0.7	0.0
Misc Nonmetallic Mineral Products	91.1	-3.9	-1.8
Other Durables (a)	-16.9	2.2	0.7
Lumber & Wood Products	-20.9	0.0	NA
Furniture & Fixtures	-21.1	70.1	-8.6
Ships & Boats	-25.6	26.7	-16.8
Railroad Equipment	13.6	-63.0	0.0
Nondurables			
Chemicals (a)	12.2	0.4	7.8
Industrial Inorganic Chemicals	26.9	27.0	12.7
Plastics Materials and Synthetics	40.7	-19.1	-15.2
Drugs	28.1	23.1	29.5
Soap, Cleaners, & Toilet Goods	-12.0	15.1	-12.3
Paints	-7.8	3.0	10.3
Agricultural Chemicals	81.7	37.0	-8.1
Misc Chemical Products	-6.7	12.2	0.0
Paper (a)	39.5	24.6	-34.9
Paper Mills	1.9	19.5	-40.7
Converted Paper Products	367.3	20.0	-66.7
Paperboard Containers & Boxes	-82.5	NA	NA

Table 5
(Continued)

Industry	1989	1990	1991
Rubber & Misc Plastics (a)	15.9	55.5	-37.4
Tires & Inner Tubes	20.3	52.9	-57.9
Miscellaneous Plastics Products	14.3	1.2	35.8
Petroleum (a)	5.0	7.5	8.9
Food Including Beverages (a)	13.3	17.9	-2.7
Meat Products	11.0	19.4	2.8
Dairy Products	16.2	-12.1	-4.0
Preserved Fruits and Vegetables	-15.8	-35.4	8.3
Grain Mill Products	25.0	39.2	-20.8
Sugar & Confectionary Products	66.7	16.7	0.0
Beverages	-25.6	55.6	-10.7
Textiles (a)	3.3	54.0	-9.9
Broadwoven Fabric Mills, Cotton	-30.4	33.3	0.0
Knitting Mills	17.2	-27.3	-6.3
Yarn and Thread Mills	80.0	22.2	0.0
Other Nondurables (a)	-0.4	-11.4	-16.0
Tobacco	34.7	27.5	-31.8
Apparel	37.2	18.6	0.0
Printing and Publishing	-5.6	-17.7	-15.4
Leather & Leather Products	5.0	-14.2	-12.1
Nonmanufacturing			
Mining (a)	25.1	15.3	0.6
Metal Mining	-52.4	-23.6	0.0
Coal Mining	28.3	22.8	36.0
Bituminous Coal	28.3	22.8	36.0
Oil & Gas Extraction	37.0	14.9	-1.7
Oil & Gas Field Services	68.0	19.6	16.2
Railroad (a)	18.7	-31.4	NA
Air Transportation (a)	63.6	-16.9	-87.4
Other Transportation (a)	-4.9	20.2	-10.4
Local & Interurban Passenger Transit	0.0	-5.0	0.0
Trucking and Warehousing	2.4	-22.2	11.7
Water Transportation	-8.7	54.7	-4.4
Pipelines, ex Natural Gas	-31.8	66.7	4.0
Electric Utilities (a)	6.8	0.7	1.0
Gas & Other Utilities (a)	15.2	20.9	0.8
Communication (a)	1.0	9.9	-4.4
Telephone Communication	1.0	9.9	-4.2
Trade & Services (a)	3.8	8.1	-1.0
General Building Contractors	37.6	-31.0	5.9
Heavy Construction, ex Building	-21.9	-12.5	25.0
Retail and Wholesale Trade	2.4	10.5	-3.8
General Merchandise Stores	4.0	12.6	-3.8
Department Stores	-2.7	2.7	-2.7
Finance	-12.2	13.5	1.0
Insurance Carriers	19.8	13.3	NA
Personal & Business Services	-16.3	-11.9	5.6
Hotels and Motels	35.3	-23.4	-3.1
Business Services	-8.0	-14.3	7.4
Computer and Data Processing Services	-16.4	-27.6	2.3
Miscellaneous Business Services	-7.9	9.9	9.3
Amusement & Recreation Services	50.0	-8.3	-9.1
Health Services	31.5	48.4	-68.4
Hospitals	35.1	48.4	-68.4
Services, nec	-13.0	-34.7	4.0

a. Percentage changes in this report are different from those reported in Table 1 because of the treatment of outliers. In Table 1, the dollar spending of outliers is reincluded when going from sample percentage change to the level of industry spending.

Riding a rising tide of shipments, **food manufacturers** plan to boost investment outlays 17.3% next year following a 13.5% jump in 1989. Meat, grain, and beverage producers all expect healthy spending growth in 1990, while dairy and preserved fruits and vegetable producers plan investment cutbacks.

All other nondurables industries plan to restrain investment growth in 1990. In the **chemical industry**, strong demand and rising profits prompted spending increases of 17.4% in 1988 and an estimated 13.3% in 1989. Demand appears to be slowing, however; shipments have been relatively flat in 1989 after steep gains in 1987 and 1988. Faced with fading export growth, weakening factory operating rates, and the risk of waning profits, chemical makers plan only a 1.7% spending increase for 1990.

The 1988-89 investment surge in the **paper industry** was even greater than in chemicals: spending jumped 26.1% in 1988 and respondents report a further 39.5% increase for 1989. Growth will not continue at this pace, however. Shipments have been flat all year and operating rates have declined from a peak of more than 96% in 1987 to 92% currently. The survey indicates investment growth will slow to 14.2% in 1990 before actual cutbacks occur in 1991.

Elsewhere in the nondurable goods sector, producers of **textiles** and **"other" nondurables** (which includes tobacco, apparel, leather, and printing and publishing firms) anticipate spending cuts in 1990.

As in the nondurables sector, most durable goods manufacturers plan to curb investment growth in 1990. The **non-electrical machinery industry** is one of the few exceptions. Respondents expect to raise investment 6.7% in 1990 after a a 3.3% decline in 1989. Computer manufacturers account for much of the rebound next year; after a steep drop in 1989, respondents plan spending gains for 1990. Producers of special industrial machinery and metalworking equipment also plan substantial increases in 1990.

The **electrical machinery industry**, in contrast, expects weaker spending growth in 1990 than in 1989. Outlays surged 20% in 1988 and manufacturers report another 13.3% increase for 1989. With profits down in the first half of this year and operating rates slipping from their mid-1988 peak, however, producers (led by those in communication equipment, electrical distribution equipment, and electrical industrial apparatus) plan to slow investment growth to 3.9% in 1990.

The **motor-vehicle industry** also expects to rein in spending growth next year. Respondents indicate they boosted investment a whopping 39.8% in 1989 and plan another 13.4% increase for 1990. Although the pace does subside next year, the double-digit increase is surprising in light of the current weakness in the industry. Existing problems of excess capacity will deepen over the next several years as the Japanese transplants expand their presence in the U.S. market.

Chart 4
Investment in New Plants and Equipment:
All Manufacturing Industries
(Billions of dollars)

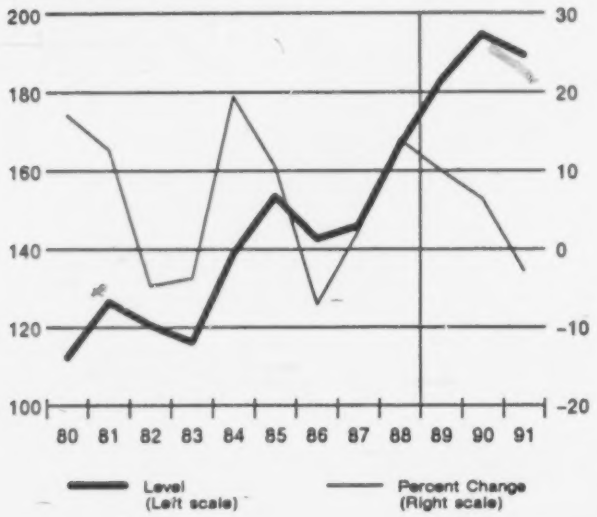
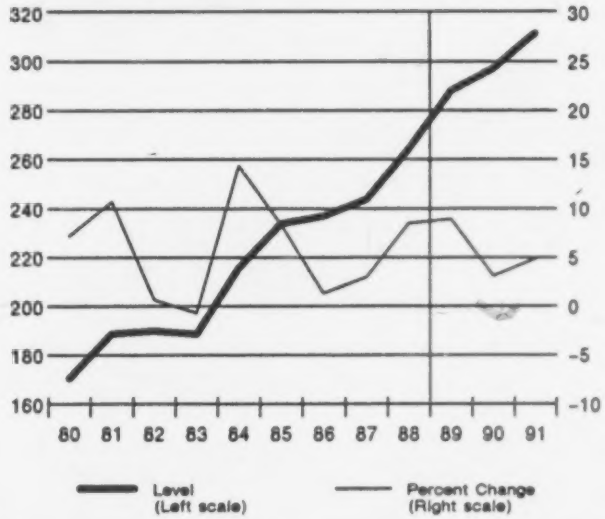


Chart 5
Investment in New Plants and Equipment:
All Nonmanufacturing Industries
(Billions of dollars)



The **aircraft industry** appears poised for another year of healthy investment growth. Orders and shipments are rising rapidly as the airlines expand and modernize their fleets. After spending cutbacks in the last two years, aircraft manufacturers report an 11.2% increase in 1989 will be followed by a 9.5% gain in 1990.

Among the remaining durables industries, **iron, nonferrous metals, fabricated metals,** and **stone, clay and glass producers** report slower spending growth next year, while makers of **"other" durable goods** (including lumber, furniture, ships, and railroad equipment) expect a strong increase.

Within the nonmanufacturing sector, respondents from **electric utilities** foresee an 8.2% rise in 1989 followed by a meager 0.3% gain in 1990. The 1989 increase was the first significant spending advance since 1983. Although much of the excess capacity has actually been absorbed in many regions of the country and demand is increasing, electric utilities appear hesitant to expand after the ill-timed overbuilding of the 1970s.

In contrast, **gas utilities** will follow this year's 15.6% investment hike with another large 20.5% surge in 1990. Elsewhere among nonmanufacturers, **communications companies** plan a 9.3% capital spending gain in 1990 on the heels of a small 1.1% advance this year. Respondents from the **mining industry** indicate they will raise investment 12.1% next year following a 3.8% cut in 1989.

APPENDIX

Table A.1
Capital Spending Plans for the Petroleum Industry
(Millions of dollars)

Function	Level				Percent Change		
	1988	1989	1990	1991	1989	1990	1991
Exploration and Production	25,780	23,396	24,529	29,119	-9.2	4.8	18.7
Refining	2,341	2,885	3,120	3,240	23.2	8.1	3.9
Petrochemicals	1,509	2,067	2,231	NA	37.0	7.9	NA
Transportation (a)	2,447	2,488	2,296	2,776	1.7	-7.7	20.9
Marketing	4,896	5,036	6,288	5,157	2.9	24.9	-18.0
Other (b)	5,025	5,549	5,786	6,858	10.4	4.3	18.5
TOTAL	41,998	41,421	44,250	NA	-1.4	6.8	NA

a. Includes oil pipelines; does not include gas pipelines.
b. Includes coal mining.

Table A.2
Capital Spending in the Chemical Process Industry
(Billions of dollars)

Industry	1988	1989	1990	1991
Chemicals	19.28	21.84	22.20	24.05
Petrochemicals (a)	1.51	2.07	2.23	NA
Paper	11.36	15.85	18.10	9.89
Rubber & Misc Plastics	3.87	4.41	4.56	4.85
Stone, Clay & Glass	3.60	4.63	4.53	4.50
Petroleum Refining	2.34	2.88	3.12	3.24
Nonferrous Metals	2.77	2.88	2.90	2.65
Coal Products (b)	0.61	0.60	0.64	3.58
Food Including Beverages	3.47	3.94	4.62	4.50
Textiles	0.42	0.48	0.44	0.43
Other CPI	2.12	2.28	2.24	2.11
TOTAL CPI	51.36	61.85	65.58	NA

a. Petrochemical expenditures are for the petroleum industry alone.
b. Estimates based on spring survey.

Table A.3
Capital Spending Plans for the Energy Industries
(Millions of dollars)

Industry	1988	1989	1990	1991
Electric Utilities.....	32,030	34,654	34,754	34,550
Gas Utilities.....	14,640	16,929	20,392	20,508
Petroleum Industry.....	41,998	41,421	44,250	NA
Exploration & Production	25,780	23,396	24,529	29,119
Transportation.....	2,447	2,488	2,296	2,776
Refining.....	2,341	2,885	3,120	3,240
Petrochemicals.....	1,509	2,067	2,231	NA
Marketing.....	4,896	5,036	6,288	5,157
Other.....	5,025	5,549	5,786	6,858
Total Energy Industries...	88,668	93,003	99,396	NA
Total All Industries.....	430,760	471,067	491,810	500,963
Energy Share (%).....	21	20	20	NA

Table A.4
Survey Sample Size

Industry	Percent of Industry Spending Covered by Survey
Blast Furnaces, Steel Works	11.7
Nonferrous Metals.....	25.9
Electrical Machinery.....	10.2
Nonelectrical Machinery....	12.6
Motor Vehicles.....	68.3
Aircraft.....	43.3
Fabricated Metals.....	4.2
Stone, Clay & Glass.....	17.1
Other Durables.....	10.5
TOTAL DURABLES.....	20.3
Chemicals.....	28.9
Paper.....	6.1
Rubber & Misc Plastics.....	2.5
Petroleum.....	58.9
Food Including Beverages...	16.6
Textiles.....	5.3
Other Nondurables.....	4.5
TOTAL NONDURABLES.....	24.2
ALL MANUFACTURING.....	22.3
Mining.....	6.6
Railroad.....	8.2
Air Transportation.....	19.2
Other Transportation.....	3.9
Electric Utilities.....	39.3
Gas & Other Utilities.....	13.6
Communication.....	40.1
Trade & Services.....	1.3
TOTAL NONMANUFACTURING.....	12.3
ALL BUSINESS.....	16.2